

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED JUNE 30, 2018**

TABLE OF CONTENTS

	<u>Page</u>
Independent Auditor's Report.....	1
<u>FINANCIAL SECTION</u>	
Statement 1	
Summary Statement of Receipts, Expenditures and Unencumbered Cash	3
Notes to the Financial Statement	5
<u>REGULATORY-REQUIRED SUPPLEMENTARY INFORMATION</u>	
Schedule 1	
Summary of Expenditures - Actual and Budget	14
Schedule 2	
Schedule of Receipts and Expenditures	
<u>General Funds</u>	
2-1 General Fund	15
2-2 Supplemental General Fund	16
<u>Special Purpose Funds</u>	
2-3 Driver Training Fund	17
2-4 Food Service Fund	18
2-5 Capital Outlay Fund	19
2-6 Special Education Fund	20
2-7 Recreation Commission Fund	21
2-8 Professional Development Fund	22
2-9 At-Risk (K-12) Fund	23
2-10 Career & Postsecondary Education Fund	24
2-11 KPERS Special Retirement Contribution Fund	25
2-12 Bilingual Fund	26
2-13 At-Risk (4 yr old) Fund	27
2-14 Non-Budgeted Special Purpose Funds	28
<u>Capital Project Fund</u>	
2-15 Construction Fund	29
<u>Trust Fund</u>	
2-16 Meginniss Trust Fund	30
Schedule 3	
Schedule of Receipts, Expenditures, and Unencumbered Cash - District Activity Funds	31
Schedule 4	
Schedule of Receipts and Disbursements - Agency Funds	32
<u>Related Municipal Entity</u>	
Schedule 5	
Schedule of Receipts and Expenditures – Actual and Budget Ashland Recreation Commission	33

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INDEPENDENT AUDITOR'S REPORT

Board of Education
Unified School District No. 220
Ashland, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash of Unified School District No. 220 and its related municipal entity, the Ashland Recreation Commission (collectively referred to as the Municipal Financial Reporting Entity), as of and for the year ended June 30, 2018, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A, the financial statement is prepared by the Municipal Financial Reporting Entity on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the Municipal Financial Reporting Entity as of June 30, 2018, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the Municipal Financial Reporting Entity as of June 30, 2018, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash (basic financial statement) as a whole. The summary of regulatory basis expenditures – actual and budget, individual fund schedules of regulatory basis receipts and expenditures, schedule of regulatory basis receipts, expenditures, and unencumbered cash – district activity funds, schedule of regulatory basis receipts and disbursements – agency funds, and schedule of regulatory basis receipts and expenditures – actual and budget of the related municipal entity (Schedules 1, 2, 3, 4, and 5 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the Municipal Financial Reporting Entity as of and for the year ended June 30, 2017 (not presented herein), and have issued our report thereon dated January 26, 2018, which contained an unmodified opinion on the basic financial statement. The 2017 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the website of the Kansas Department of Administration at the following link: <http://admin.ks.gov/offices/chief-financial-officer/municipal-services>. The 2017 actual column (2017 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures for the year ended June 30, 2018 (Schedule 2 as listed in the table of contents) is presented for the purposes of additional analysis and is not a required part of the basic financial statement. Such 2017 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2017 basic financial statement. The 2017 comparative information was subjected to the auditing procedures applied in the audit of the 2017 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2017 basic financial statement or to the 2017 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2017 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended June 30, 2017, on the basis of accounting described in Note A.

Kennedy McKee & Company LLP

March 21, 2019

UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Fund</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General funds:			
General	\$ -	\$ -	\$ 1,883,333
Supplemental general	57,630	-	602,057
Total general funds	57,630	-	2,485,390
Special purpose funds:			
Driver training	12,205	-	1,432
Food service	36,272	-	150,624
Capital outlay	22,182	-	262,197
Special education	29,743	-	237,025
Recreation commission	1,491	-	19,782
Professional development	3,550	-	-
At-risk (K-12)	25,000	-	170,745
Career & postsecondary education	25,000	-	7,044
KPERS special retirement contribution	-	-	203,773
Bilingual	2,815	-	14,370
At-risk (4 yr old)	9,000	-	-
Contingency reserve	108,938	-	17,896
Textbook and student material revolving	23,552	-	18,772
Gifts and grants	99,047	-	310,546
Title I	-	-	29,676
REAP grant	-	-	21,825
Title II part A & D	1,948	-	5,965
District activity funds	6,635	-	91,073
Total special purpose funds	407,378	-	1,562,745
Capital project fund:			
Construction	-	-	1,738,161
Trust fund:			
Meginniss trust	39,599	-	371
Total Unified School District No. 220	504,607	-	5,786,667
Related municipal entity:			
Ashland Recreation Commission:			
General fund	39,624	-	48,865
Total municipal financial reporting entity (excluding agency funds)	\$ 544,231	\$ -	\$ 5,835,532

<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
\$ 1,883,221	\$ 112	\$ -	\$ 112
637,602	22,085	12,735	34,820
<u>2,520,823</u>	<u>22,197</u>	<u>12,735</u>	<u>34,932</u>
5,718	7,919	258	8,177
141,646	45,250	10	45,260
169,308	115,071	-	115,071
220,241	46,527	-	46,527
20,020	1,253	-	1,253
2,328	1,222	1,503	2,725
180,240	15,505	-	15,505
28,694	3,350	-	3,350
203,773	-	-	-
15,840	1,345	-	1,345
-	9,000	-	9,000
51,862	74,972	-	74,972
23,583	18,741	-	18,741
140,309	269,284	9	269,293
29,676	-	-	-
21,825	-	10,275	10,275
7,913	-	-	-
65,758	31,950	-	31,950
<u>1,328,734</u>	<u>641,389</u>	<u>12,055</u>	<u>653,444</u>
<u>1,695,359</u>	<u>42,802</u>	<u>503,610</u>	<u>546,412</u>
<u>221</u>	<u>39,749</u>	<u>-</u>	<u>39,749</u>
5,545,137	746,137	528,400	1,274,537
<u>62,555</u>	<u>25,934</u>	<u>1,897</u>	<u>27,831</u>
<u>\$ 5,607,692</u>	<u>\$ 772,071</u>	<u>\$ 530,297</u>	<u>\$ 1,302,368</u>

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

**SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES
AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2018

	<u>Ending cash balance</u>
Composition of cash balance:	
U.S.D. No. 220 accounts:	
Super now account	\$ 654,926
High school super now account	122,559
Certificates of deposit	39,749
Petty cash	1,500
Checking - construction	248,235
Money market - construction	248,234
Savings - construction	<u>49,943</u>
	1,365,146
Agency funds	(79,139)
Non-activity funds	<u>(11,470)</u>
Total Unified School District No. 220 (excluding agency funds)	1,274,537
Related municipal entity:	
Ashland Recreation Commission:	
Checking account	<u>27,831</u>
Total municipal financial reporting entity (excluding agency funds)	<u><u>\$ 1,302,368</u></u>

The notes to the financial statement are an integral part of this statement.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

NOTES TO THE FINANCIAL STATEMENT

June 30, 2018

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the District's financial statement. The financial statement, schedules, and notes are representations of the District's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

Unified School District No. 220 is a municipal corporation governed by an elected seven-member board. This financial statement presents Unified School District No. 220 (the Municipality) and its related municipal entity. The related municipal entity is included in the District's reporting entity because it was established to benefit the District and/or its constituents.

Ashland Recreation Commission. The Commission oversees recreational activities. Four of the five members of the governing board are appointed by the Board of Education. The Commission operates as a separate governing body, but the District levies the taxes for the Commission and the Commission has only the powers granted by K.S.A. 12-1928. The Commission cannot purchase real property but can acquire real property by gift.

2. Basis of Presentation - Fund Accounting

The accounts of the District are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the District for the year ended June 30, 2018:

REGULATORY BASIS FUND TYPES

General funds - the chief operating funds. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose funds - used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Capital Project fund - used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Trust fund - used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.).

Agency funds - used to report assets held by the municipal financial reporting entity in a purely custodial capacity (i.e. student organization funds, etc.).

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the District to use the regulatory basis of accounting.

4. Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general funds and special purpose funds (unless specifically exempted by statute). Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

- a. Preparation of the budget for the succeeding year on or before August 1st.
- b. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
- c. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
- d. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held, and the governing body may amend the budget at that time. There were no budget amendments for this year.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary Information (Continued)

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for state and federal grant funds, capital project funds, agency funds, and the following special purpose funds:

- Contingency reserve
- Textbook and student material revolving
- Gifts and grants
- District activity funds

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

5. In-Substance Receipt in Transit

The District received \$132,324 subsequent to June 30, 2018 and as required by K.S.A. 72-6417 and 72-6434 the receipt was recorded as an in-substance receipt in transit and included as a receipt for the year ended June 30, 2018.

B. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the District. The statute requires banks eligible to hold the District's funds to have a main or branch bank in the county in which the District is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The District has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Custodial credit risk - deposits. Custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at June 30, 2018.

At June 30, 2018, the District's carrying amount of deposits was \$1,365,146 and the bank balance was \$1,360,378. Of the bank balance, \$929,352 was covered by federal depository insurance and \$431,026 was collateralized with securities held by the pledging financial institutions' agents in the District's name.

C. LONG-TERM DEBT

Changes in long-term liabilities for the year ended June 30, 2018, were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions/ net change</u>	<u>Reductions</u>	<u>Balance end of year</u>	<u>Interest paid</u>
Capital leases:					
2016 Blue Bird Model T3RE4006 Issued February 9, 2015 In the amount of \$186,439 At interest rate of 2.75% Maturing February 9, 2020	\$ 76,604	\$ -	\$ 36,888	\$ 39,716	\$ 2,107
2015 International bus Issued July 27, 2015 In the amount of \$81,983 At interest rate of 3.00% Maturing July 27, 2020	49,471	-	15,746	33,725	1,484
Delta platform lift Issued January 13, 2016 In the amount of \$45,000 At interest rate of 2.40% Maturing July 1, 2020 Paid in full, June 30, 2018	35,503	-	35,503	-	1,052
HVAC and windows (QZAB) Issued September 25, 2017 In the amount of \$1,728,724 At interest rate of 0.00% Maturing September 15, 2032	-	1,728,724	-	1,728,724	-
Total capital leases	161,578	1,728,724	88,137	1,802,165	4,643
Voluntary early retirement	85,267	48,250	64,850	68,667	-
Total contractual indebtedness	<u>\$ 246,845</u>	<u>\$ 1,776,974</u>	<u>\$ 152,987</u>	<u>\$ 1,870,832</u>	<u>\$ 4,643</u>

Current maturities of the capital lease payments are as follows:

<u>Year ended June 30,</u>	<u>Principal due</u>	<u>Interest due</u>	<u>Total due</u>
2019	\$ 169,369	\$ 2,104	\$ 171,473
2020	133,767	575	134,342
2021	116,049	18	116,067
2022	115,248	-	115,248
2023	115,248	-	115,248
2024-2028	576,240	-	576,240
2029-2033	576,244	-	576,244
Total	<u>\$ 1,802,165</u>	<u>\$ 2,697</u>	<u>\$ 1,804,862</u>

C. LONG-TERM DEBT (CONTINUED)

Voluntary early retirement program. Certified personnel may voluntarily elect to retire early. Qualifying personnel must be a current full or part time employee of the District, have at least ten years of continuous service with the District, and be fully vested in KPERS. The annual rate of retirement compensation is $\frac{1}{4}$ base pay for a beginning teacher for the year the benefit is paid. Benefits end after five years or when the retiree reaches age 65, whichever comes first.

Current maturities of the voluntary early retirement payments are as follows:

<u>Year ended June 30,</u>	<u>Total due</u>
2019	\$ 30,967
2020	18,400
2021	9,650
2022	<u>9,650</u>
Total	<u>\$ 68,667</u>

D. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
General fund	At-risk (K-12) fund	\$ 160,745	K.S.A. 72-5167
General fund	Bilingual fund	14,370	K.S.A. 72-5167
General fund	Capital outlay fund	75,000	K.S.A. 72-5167
General fund	Food service fund	30,000	K.S.A. 72-5167
General fund	Special education fund	205,831	K.S.A. 72-5167
General fund	Career & postsecondary education fund	7,044	K.S.A. 72-5167
General fund	Contingency reserve fund	<u>17,896</u>	K.S.A. 72-5167
Total general fund		<u>510,886</u>	
Supplemental general fund	Food service fund	13,867	K.S.A. 72-5143
Supplemental general fund	Special education fund	30,000	K.S.A. 72-5143
Supplemental general fund	At-risk (K-12) fund	<u>10,000</u>	K.S.A. 72-5143
Total supplemental general fund		<u>53,867</u>	
Total operating transfers		<u>\$ 564,753</u>	

Transfer to the related municipal entity was as follows:

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory authority</u>
Recreation commission fund	Ashland Recreation Commission	<u>\$ 20,020</u>	K.S.A. 12-1928

E. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other post employment benefits. As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the District is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the District makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Section 125 plan. The District offers a Section 125 flexible benefit plan to all eligible employees. It is used for medical insurance premiums, unreimbursed medical expenses, and qualified dependent care expenses. The plan is administered by a third party administrator.

Compensated absences. The District's policy grants employees on twelve month contracts ten or fifteen vacation days per year depending upon length of service. Vacation time is cumulative up to four weeks. Sick leave for employees on twelve month contracts may be accumulated at the rate of six to twelve days per year up to a total accumulation of 36 to 100 days depending upon position of employment. In the event of death, retirement, or termination of employment for all employees, accumulated sick leave is lost. The District's policy is to recognize the costs of compensated absences when actually paid.

Longevity plan. Beginning July 1, 2017, the District provides an annual annuity per certified staff member for each year of employment. This is a deferred compensation plan that incorporates a 50% vested amount at the completion of the employee's fifth year of employment. The employee will gain 10% per year thereafter, becoming 100% vested at the end of year ten. At June 30, 2018, the District made its first contribution to the plan of \$9,250.

F. DEFINED BENEFIT PENSION PLAN

General Information about the Pension Plan

Plan description. The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org, by writing to KPERS (611 South Kansas, Suite 100; Topeka, KS 66603), or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009 and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015 Kansas law establishes the KPERS member-employee contribution rate of 6% of covered salary for KPERS 1, KPERS 2, and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

F. DEFINED BENEFIT PENSION PLAN (CONTINUED)

General Information about the Pension Plan (Continued)

State law provides that the employer contribution rates for KPERS 1, KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium for the period of July 1, 2017 through September 30, 2017 for the Death and Disability Program) was 10.81% for the fiscal year ended June 30, 2017. The actuarially determined employer contribution rate was 12.01% for the fiscal year ended June 30, 2018. Per 2016 House Substitute for Senate Bill 161, Section 98(a)(1), state general fund and expanded lottery act revenue funds for employer contributions to KPERS were deferred. The amount deferred for school contributions was \$92,917,091 for the fiscal year ended June 30, 2016 and the anticipated repayments per SB249 were nullified per HB2052 during fiscal year 2017.

The State of Kansas contribution to KPERS for all school municipalities for the year ending June 30, 2017, received as of June 30th was \$304,596,361. Per 2017 Senate Substitute for House Bill 2052, Section 37(a), state general fund employer contributions to KPERS were decreased by \$64,130,234 for the fiscal year ended June 30, 2017. Section 43(17) of the bill also stipulates that repayments of the reduced contributions are to be amortized over twenty years at a level dollar amount commencing in fiscal year 2018. The level dollar amount was computed to be \$6.4 million per year.

The State of Kansas is required to contribute the statutory required employer's share except for retired District employees. The District is responsible for the employer's portion of the cost for retired District employees. The District received and remitted amounts equal to the statutory contribution rate, which totaled \$203,773 for the year ended June 30, 2018.

Net Pension Liability

At June 30, 2018, the District's proportionate share of the collective net pension liability reported by KPERS was \$2,287,137. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on the ratio of the District's contributions to KPERS, relative to the total employer and non-employer contributions of the State/School subgroup within KPERS for the fiscal year ended June 30, 2017. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

G. CONTINGENCIES

The District receives significant financial assistance from numerous Federal and State governmental agencies in the form of grants and State pass-through aid. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit. Any disallowed claims resulting from such audits could become a liability of the General fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on the financial statement of the District at June 30, 2018.

H. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters, and medical needs of employees. The District has been unable to obtain workers compensation insurance at a cost it considered to be economically justifiable. For this reason, the District has joined together with other school districts in the State to participate in the Kansas Association of School Boards Workers Compensation Fund, a public entity risk pool currently operating as a common risk management and insurance program for participating members.

The District pays an annual premium to the Kansas Association of School Boards for its workers compensation insurance coverage. The agreement to participate provides that the Kansas Association of School Boards Workers Compensation fund will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by the Kansas Association of School Boards management.

The District continues to carry commercial insurance for all other risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

I. OPERATING LEASES

The District has entered into an operating lease agreement for copiers and printers. Rental payments for the current year totaled \$13,990. The operating lease agreement expires during fiscal year 2022.

The following is an annual schedule of future minimum rental payments under the operating lease:

<u>Year ended June 30,</u>	<u>Total due</u>
2019	\$ 11,328
2020	11,328
2021	11,328
2022	<u>4,719</u>
Total	<u>\$ 38,703</u>

J. CAPITAL PROJECT

Capital project authorizations with approved change orders compared with cash disbursements and accounts payable from inception are as follows:

	<u>Project authorization</u>	<u>Cash disbursements and accounts payable to date</u>
Johnson Controls HVAC and windows project	<u>\$ 1,939,862</u>	<u>\$ 1,660,784</u>

K. SUBSEQUENT EVENTS

Management has evaluated subsequent events through March 21, 2019, the date on which the financial statement was available to be used. Management's evaluation concluded that there are no subsequent events required to be recognized or disclosed in this financial statement:

**REGULATORY-REQUIRED
SUPPLEMENTARY INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2018

<u>Fund</u>	<u>Certified budget</u>	<u>Adjustment to comply with legal maximum budget</u>	<u>Adjustment for budget credit</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General funds:						
General	\$ 1,914,467	\$ (31,246)	\$ -	\$ 1,883,221	\$ 1,883,221	\$ -
Supplemental general	637,602	-	-	637,602	637,602	-
Special purpose funds:						
Driver training	13,604	-	-	13,604	5,718	7,886
Food service	198,375	-	-	198,375	141,646	56,729
Capital outlay	190,842	-	-	190,842	169,308	21,534
Special education	285,085	-	-	285,085	220,241	64,844
Recreation commission	20,020	-	-	20,020	20,020	-
Professional development	5,423	-	-	5,423	2,328	3,095
At-risk (K-12)	184,261	-	-	184,261	180,240	4,021
Career & postsecondary education	40,223	-	-	40,223	28,694	11,529
KPERS special retirement contribution	214,171	-	-	214,171	203,773	10,398
Bilingual	25,249	-	-	25,249	15,840	9,409
At-risk (4 yr old)	17,012	-	-	17,012	-	17,012
Total Unified School District No. 220	3,746,334	(31,246)	-	3,715,088	3,508,631	206,457
Related municipal entity:						
Ashland Recreation Commission	55,600	-	26,875	82,475	62,555	19,920
Total municipal financial reporting entity	<u>\$ 3,801,934</u>	<u>\$ (31,246)</u>	<u>\$ 26,875</u>	<u>\$ 3,797,563</u>	<u>\$ 3,571,186</u>	<u>\$ 226,377</u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid:				
Equalization aid	\$ 1,529,562	\$ 1,720,500	\$ 1,719,125	\$ 1,375
Mineral production tax	7,035	7,002	-	7,002
Special education aid	158,408	155,831	195,342	(39,511)
KPERs	133,441	-	-	-
Interest	4,720	-	-	-
Operating transfers	40,258	-	-	-
Total receipts	<u>1,873,424</u>	<u>1,883,333</u>	<u>\$ 1,914,467</u>	<u>\$ (31,134)</u>
Expenditures:				
Instruction	683,733	694,015	\$ 724,000	\$ 29,985
Student support services	14,589	44,011	45,100	1,089
General administration	189,852	126,973	153,355	26,382
School administration	219,680	228,201	233,900	5,699
Operations and maintenance	163,399	178,866	195,589	16,723
Operations and maintenance - transportation	1,754	1,158	37,850	36,692
Student transportation services	109,469	99,111	104,400	5,289
Operating transfers	490,948	510,886	420,273	(90,613)
Adjustment to comply with legal maximum budget	-	-	(31,246)	(31,246)
Total expenditures	<u>1,873,424</u>	<u>1,883,221</u>	<u>\$ 1,883,221</u>	<u>\$ -</u>
Receipts over (under) expenditures	-	112		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	<u>\$ -</u>	<u>\$ 112</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

SUPPLEMENTAL GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 6,510	\$ 18,895	\$ 20,877	\$ (1,982)
Current tax	537,266	474,077	459,766	14,311
Delinquent tax	16,004	6,989	8,636	(1,647)
Motor vehicle tax	33,797	37,292	39,475	(2,183)
Recreational vehicle tax	665	681	584	97
State aid:				
Supplemental state aid	-	64,123	64,123	-
Total receipts	<u>594,242</u>	<u>602,057</u>	<u>\$ 593,461</u>	<u>\$ 8,596</u>
Expenditures:				
Instruction	411,875	492,566	\$ 532,602	\$ 40,036
General administration	16,084	29,438	25,000	(4,438)
School administration	557	-	-	-
Operations and maintenance	7,581	47,337	5,000	(42,337)
Student transportation services	4,770	14,394	5,000	(9,394)
Operating transfers	<u>165,215</u>	<u>53,867</u>	<u>70,000</u>	<u>16,133</u>
Total expenditures	<u>606,082</u>	<u>637,602</u>	<u>\$ 637,602</u>	<u>\$ -</u>
Receipts over (under) expenditures	(11,840)	(35,545)		
Unencumbered cash, beginning of year	69,361	57,630		
Prior year canceled encumbrances	<u>109</u>	<u>-</u>		
Unencumbered cash, end of year	<u>\$ 57,630</u>	<u>\$ 22,085</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

DRIVER TRAINING FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		
	2017	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
State aid	\$ 768	\$ 1,280	\$ 1,400	\$ (120)
Other	1,674	152	-	152
Total receipts	2,442	1,432	\$ 1,400	\$ 32
Expenditures:				
Instruction	4,399	5,561	\$ 13,604	\$ 8,043
Operations and maintenance	171	157	-	(157)
Total expenditures	4,570	5,718	\$ 13,604	\$ 7,886
Receipts over (under) expenditures	(2,128)	(4,286)		
Unencumbered cash, beginning of year	14,333	12,205		
Unencumbered cash, end of year	\$ 12,205	\$ 7,919		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

FOOD SERVICE FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Federal aid	\$ 49,496	\$ 55,044	\$ 47,753	\$ 7,291
State aid	1,077	1,214	903	311
Charges for services	49,830	50,127	38,447	11,680
Other	5,157	372	15,000	(14,628)
Transfers:				
General fund	30,000	30,000	30,000	-
Supplemental general fund	-	13,867	30,000	(16,133)
Total receipts	<u>135,560</u>	<u>150,624</u>	<u>\$ 162,103</u>	<u>\$ (11,479)</u>
Expenditures:				
Operations and maintenance	1,632	265	\$ 85,458	\$ 85,193
Food service operations	<u>140,310</u>	<u>141,381</u>	<u>112,917</u>	<u>(28,464)</u>
Total expenditures	<u>141,942</u>	<u>141,646</u>	<u>\$ 198,375</u>	<u>\$ 56,729</u>
Receipts over (under) expenditures	(6,382)	8,978		
Unencumbered cash, beginning of year	<u>42,654</u>	<u>36,272</u>		
Unencumbered cash, end of year	<u>\$ 36,272</u>	<u>\$ 45,250</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS

CAPITAL OUTLAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 1,672	\$ 3,904	\$ 4,269	\$ (365)
Current tax	110,982	102,869	99,759	3,110
Delinquent tax	4,704	1,786	1,784	2
Motor vehicle tax	10,037	9,008	9,509	(501)
Recreational vehicle tax	192	163	141	22
Interest	243	6,524	-	6,524
Other	-	62,943	-	62,943
Transfers:				
General fund	17,889	75,000	-	75,000
Total receipts	<u>145,719</u>	<u>262,197</u>	<u>\$ 115,462</u>	<u>\$ 146,735</u>
Expenditures:				
Instruction	15,979	6,185	\$ 22,000	\$ 15,815
General administration	-	38,537	45,000	6,463
School administration	-	-	5,000	5,000
Operations and maintenance	152,807	56,446	48,842	(7,604)
Transportation	56,792	58,622	70,000	11,378
Facility acquisition and construction service	60,840	9,518	-	(9,518)
Total expenditures	<u>286,418</u>	<u>169,308</u>	<u>\$ 190,842</u>	<u>\$ 21,534</u>
Receipts over (under) expenditures	(140,699)	92,889		
Unencumbered cash, beginning of year	<u>162,881</u>	<u>22,182</u>		
Unencumbered cash, end of year	<u>\$ 22,182</u>	<u>\$ 115,071</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

SPECIAL EDUCATION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		
	2017	Actual	Budget	Variance favorable (unfavorable)
Receipts:				
Federal aid	\$ -	\$ 1,059	\$ -	\$ 1,059
Other	-	135	30,000	(29,865)
Transfers:				
General fund	182,618	205,831	195,342	10,489
Supplemental general fund	77,124	30,000	30,000	-
Total receipts	<u>259,742</u>	<u>237,025</u>	<u>\$ 255,342</u>	<u>\$ (18,317)</u>
Expenditures:				
Instruction	235,246	212,352	\$ 285,085	\$ 72,733
Student transportation services	11,339	7,889	-	(7,889)
Total expenditures	<u>246,585</u>	<u>220,241</u>	<u>\$ 285,085</u>	<u>\$ 64,844</u>
Receipts over (under) expenditures	13,157	16,784		
Unencumbered cash, beginning of year	<u>16,586</u>	<u>29,743</u>		
Unencumbered cash, end of year	<u>\$ 29,743</u>	<u>\$ 46,527</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS

RECREATION COMMISSION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Taxes:				
Ad valorem property:				
Tax in process	\$ 279	\$ 651	\$ 535	\$ 116
Current tax	18,671	17,301	16,625	676
Delinquent tax	739	303	297	6
Motor vehicle tax	1,549	1,500	1,584	(84)
Recreational vehicle tax	30	27	24	3
Total receipts	21,268	19,782	<u>\$ 19,065</u>	<u>\$ 717</u>
Expenditures:				
Transfer to related municipal entity	24,400	20,020	<u>\$ 20,020</u>	<u>\$ -</u>
Receipts over (under) expenditures	(3,132)	(238)		
Unencumbered cash, beginning of year	4,623	1,491		
Unencumbered cash, end of year	<u>\$ 1,491</u>	<u>\$ 1,253</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS

PROFESSIONAL DEVELOPMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid	\$ -	\$ -	\$ 1,873	\$ (1,873)
Expenditures:				
Instructional support staff	22,839	2,328	\$ 5,423	\$ 3,095
Receipts over (under) expenditures	(22,839)	(2,328)		
Unencumbered cash, beginning of year	26,389	3,550		
Unencumbered cash, end of year	\$ 3,550	\$ 1,222		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

AT-RISK (K-12) FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfers:				
General fund	\$ 49,250	\$ 160,745	\$ 149,262	\$ 11,483
Supplemental general fund	34,669	10,000	10,000	-
Total receipts	83,919	170,745	<u>\$ 159,262</u>	<u>\$ 11,483</u>
Expenditures:				
Instruction	93,919	180,240	<u>\$ 184,261</u>	<u>\$ 4,021</u>
Receipts over (under) expenditures	(10,000)	(9,495)		
Unencumbered cash, beginning of year	35,000	25,000		
Unencumbered cash, end of year	<u>\$ 25,000</u>	<u>\$ 15,505</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS

CAREER & POSTSECONDARY EDUCATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfers:				
General fund	\$ 5,968	\$ 7,044	\$ 15,223	\$ (8,179)
Supplemental general fund	53,422	-	-	-
Total receipts	59,390	7,044	<u>\$ 15,223</u>	<u>\$ (8,179)</u>
Expenditures:				
Instruction	50,392	28,694	<u>\$ 40,223</u>	<u>\$ 11,529</u>
Receipts over (under) expenditures	8,998	(21,650)		
Unencumbered cash, beginning of year	16,002	25,000		
Unencumbered cash, end of year	<u>\$ 25,000</u>	<u>\$ 3,350</u>		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

KPERS SPECIAL RETIREMENT CONTRIBUTION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
State aid	\$ -	\$ 203,773	\$ 214,171	\$ (10,398)
Transfers:				
General fund	133,441	-	-	-
Total receipts	133,441	203,773	\$ 214,171	\$ (10,398)
Expenditures:				
Instruction	88,186	140,604	\$ 150,000	\$ 9,396
Student support services	930	5,502	5,000	(502)
Instructional support staff	-	3,872	4,000	128
General administration	9,651	5,298	10,000	4,702
School administration	14,855	16,709	15,000	(1,709)
Central services	-	5,094	5,000	(94)
Operations and maintenance	9,664	12,430	10,000	(2,430)
Student transportation services	5,569	7,540	8,171	631
Food service operations	4,586	6,724	7,000	276
Total expenditures	133,441	203,773	\$ 214,171	\$ 10,398
Receipts over (under) expenditures	-	-		
Unencumbered cash, beginning of year	-	-		
Unencumbered cash, end of year	\$ -	\$ -		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

BILINGUAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfers				
General fund	\$ -	\$ 14,370	<u>\$ 22,434</u>	<u>\$ (8,064)</u>
Expenditures:				
Instruction	<u>-</u>	<u>15,840</u>	<u>\$ 25,249</u>	<u>\$ 9,409</u>
Receipts over (under) expenditures	-	(1,470)		
Unencumbered cash, beginning of year	<u>2,815</u>	<u>2,815</u>		
Unencumbered cash, end of year	<u>\$ 2,815</u>	<u>\$ 1,345</u>		

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS

AT-RISK (4 YR OLD) FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfers				
General fund	\$ -	\$ -	\$ 8,012	\$ (8,012)
Expenditures:				
Instruction	-	-	\$ 17,012	\$ 17,012
Operating transfers	20,771	-	-	-
Total expenditures	20,771	-	\$ 17,012	\$ 17,012
Receipts over (under) expenditures	(20,771)	-		
Unencumbered cash, beginning of year	29,771	9,000		
Unencumbered cash, end of year	\$ 9,000	\$ 9,000		

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

NON-BUDGETED SPECIAL PURPOSE FUNDS

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2018

	<u>Contingency reserve</u>	<u>Textbook and student material revolving</u>	<u>Gifts and grants</u>	<u>Title I</u>
Receipts:				
Fees	\$ -	\$ 18,772	\$ -	\$ -
Federal aid	-	-	-	29,676
Grants	-	-	1,419	-
Gifts	-	-	192,603	-
Sales tax	-	-	116,524	-
Transfer from general fund	17,896	-	-	-
	<u>17,896</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total receipts	<u>17,896</u>	<u>18,772</u>	<u>310,546</u>	<u>29,676</u>
Expenditures:				
Instruction	-	23,583	112,958	29,676
Operations and maintenance	-	-	23,197	-
Student transportation services	-	-	1,459	-
Food service operations	-	-	1,695	-
Community services operations	-	-	1,000	-
Bond issuance costs	51,862	-	-	-
	<u>51,862</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>51,862</u>	<u>23,583</u>	<u>140,309</u>	<u>29,676</u>
Receipts over (under) expenditures	(33,966)	(4,811)	170,237	-
Unencumbered cash, beginning of year	<u>108,938</u>	<u>23,552</u>	<u>99,047</u>	<u>-</u>
Unencumbered cash, end of year	<u>\$ 74,972</u>	<u>\$ 18,741</u>	<u>\$ 269,284</u>	<u>\$ -</u>

See Independent Auditor's Report

Schedule 2-14

<u>REAP grant</u>	<u>Title II part A & D</u>	<u>Total</u>
\$ -	\$ -	\$ 18,772
21,825	5,965	57,466
-	-	1,419
-	-	192,603
-	-	116,524
-	-	17,896
<u>21,825</u>	<u>5,965</u>	<u>404,680</u>
21,825	7,913	195,955
-	-	23,197
-	-	1,459
-	-	1,695
-	-	1,000
-	-	51,862
<u>21,825</u>	<u>7,913</u>	<u>275,168</u>
-	(1,948)	129,512
-	1,948	233,485
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 362,997</u>

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

CONSTRUCTION FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2018

	<u>2018</u>
Receipts:	
Interest	\$ 9,437
QZAB bond proceeds	<u>1,728,724</u>
Total receipts	<u>1,738,161</u>
Expenditures:	
Bond issuance costs	34,575
Building improvements	<u>1,660,784</u>
Total expenditures	<u>1,695,359</u>
Receipts over (under) expenditures	42,802
Unencumbered cash, beginning of year	<u>-</u>
Unencumbered cash, end of year	<u><u>\$ 42,802</u></u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

MEGINNISS TRUST FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

	<u>2017</u>	<u>2018</u>
Receipts:		
Interest	\$ 190	\$ 371
Expenditures:		
Scholarships	<u>121</u>	<u>221</u>
Receipts over (under) expenditures	69	150
Unencumbered cash, beginning of year	<u>39,530</u>	<u>39,599</u>
Unencumbered cash, end of year	<u><u>\$ 39,599</u></u>	<u><u>\$ 39,749</u></u>

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

DISTRICT ACTIVITY FUNDS

**SCHEDULE OF RECEIPTS, EXPENDITURES, AND UNENCUMBERED CASH
REGULATORY BASIS**

For the Year Ended June 30, 2018

<u>Fund</u>	<u>Beginning unencumbered cash balance</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
Athletics	\$ 2,116	\$ 71,663	\$ 47,735	\$ 26,044	\$ -	\$ 26,044
Jay TV	1,912	-	735	1,177	-	1,177
Book fair	75	2,631	2,662	44	-	44
Memorial fund	541	-	-	541	-	541
High school quiz bowl	-	1,368	1,368	-	-	-
Junior high quiz bowl	-	234	234	-	-	-
Band and music	-	835	835	-	-	-
Annual	-	8,882	7,037	1,845	-	1,845
Forensics	-	2,347	474	1,873	-	1,873
General	1,991	3,113	4,678	426	-	426
	<u>1,991</u>	<u>3,113</u>	<u>4,678</u>	<u>426</u>	<u>-</u>	<u>426</u>
Total district activity funds	<u>\$ 6,635</u>	<u>\$ 91,073</u>	<u>\$ 65,758</u>	<u>\$ 31,950</u>	<u>\$ -</u>	<u>\$ 31,950</u>

See Independent Auditor's Report.

UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS

AGENCY FUNDS

SCHEDULE OF RECEIPTS AND DISBURSEMENTS
REGULATORY BASIS

For the Year Ended June 30, 2018

<u>Fund</u>	<u>Beginning cash balance (deficit)</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending cash balance (deficit)</u>
Student activity funds:				
A-club	\$ 2,172	\$ 342	\$ -	\$ 2,514
Elementary PTA	-	11,012	2,167	8,845
S.H.O.W.	6,144	12,567	3,260	15,451
FFA	-	1,961	-	1,961
National Honor Society	753	-	-	753
FCA	556	-	-	556
STUCO	5,258	1,573	1,989	4,842
History club	-	622	433	189
Tennis club	1,077	-	1,077	-
HS volleyball club	752	1,829	1,750	831
HS football club	1,297	235	200	1,332
HS golf club	269	2,447	2,512	204
JH track club	(41)	41	-	-
HS track club	786	45	277	554
Cross country club	-	129	130	(1)
JH boys basketball club	410	259	252	417
JH girls basketball club	92	269	304	57
HS boys basketball club	4,766	2,445	3,653	3,558
HS girls basketball club	598	5,995	5,328	1,265
Forensics club	1	84	84	1
Quiz bowl club	15	-	-	15
Drama club	2,978	62	117	2,923
Music club	21	-	-	21
After prom	-	4,096	1,370	2,726
Weightlifting club	166	-	150	16
Dance/drill	-	1,675	1,323	352
High school cheerleaders	244	3,260	3,315	189
Junior high school cheerleaders	942	1,744	1,884	802
Skills USA	1,961	-	1,961	-
Class of 2013	188	-	188	-
Class of 2017	730	-	730	-
Class of 2018	8,806	11,339	20,147	(2)
Class of 2019	11,337	3,047	10,028	4,356
Class of 2020	6,558	4,504	2,640	8,422
Class of 2021	1,622	2,126	643	3,105
Class of 2022	1,767	5,868	2,325	5,310
Class of 2023	-	2,509	145	2,364
IRC - special ed	2,859	-	148	2,711
Concessions	-	39,513	37,013	2,500
Total student activity funds	65,084	121,598	107,543	79,139
District clearing funds:				
Insurance payments	44	349	393	-
Total agency funds	\$ 65,128	\$ 121,947	\$ 107,936	\$ 79,139

See Independent Auditor's Report.

**UNIFIED SCHOOL DISTRICT NO. 220
ASHLAND, KANSAS**

**ASHLAND RECREATION COMMISSION
(A RELATED MUNICIPAL ENTITY)**

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS**

For the Year Ended June 30, 2018
(With Comparative Actual Totals for the Prior Year Ended June 30, 2017)

		2018		Variance
	2017	Actual	Budget	favorable (unfavorable)
Receipts:				
Transfer from Unified				
School District No. 220	\$ 24,400	\$ 20,020	\$ 22,588	\$ (2,568)
Fees	220	711	-	711
Interest	134	491	-	491
Gifts and grants	7,500	26,875	-	26,875
Concession stand	-	441	-	441
Miscellaneous	250	327	-	327
Total receipts	32,504	48,865	\$ 22,588	\$ 26,277
Expenditures:				
Recreation supplies	3,298	2,010	\$ -	\$ (2,010)
Utilities	572	1,341	-	(1,341)
Equipment	-	2,503	-	(2,503)
Instructors and coaches	166	720	-	(720)
Officials	1,481	3,714	-	(3,714)
Tournament fees	410	1,040	-	(1,040)
Advertising and office supplies	149	268	-	(268)
Repair, maintenance, mowing and rentals	1,935	40,616	-	(40,616)
Director salary	1,800	1,800	-	(1,800)
Insurance	3,217	3,249	-	(3,249)
Accounting and audit	2,103	1,610	-	(1,610)
Taxes	633	338	-	(338)
Transportation	152	88	-	(88)
Uniforms and shirts	2,001	1,599	-	(1,599)
Concession stand	-	553	-	(553)
Miscellaneous	-	1,106	55,600	54,494
Budget credit	-	-	26,875	26,875
Total expenditures	17,917	62,555	\$ 82,475	\$ 19,920
Receipts over (under) expenditures	14,587	(13,690)		
Unencumbered cash, beginning of year	25,037	39,624		
Unencumbered cash, end of year	\$ 39,624	\$ 25,934		

See Independent Auditor's Report.